Song of the Open Road

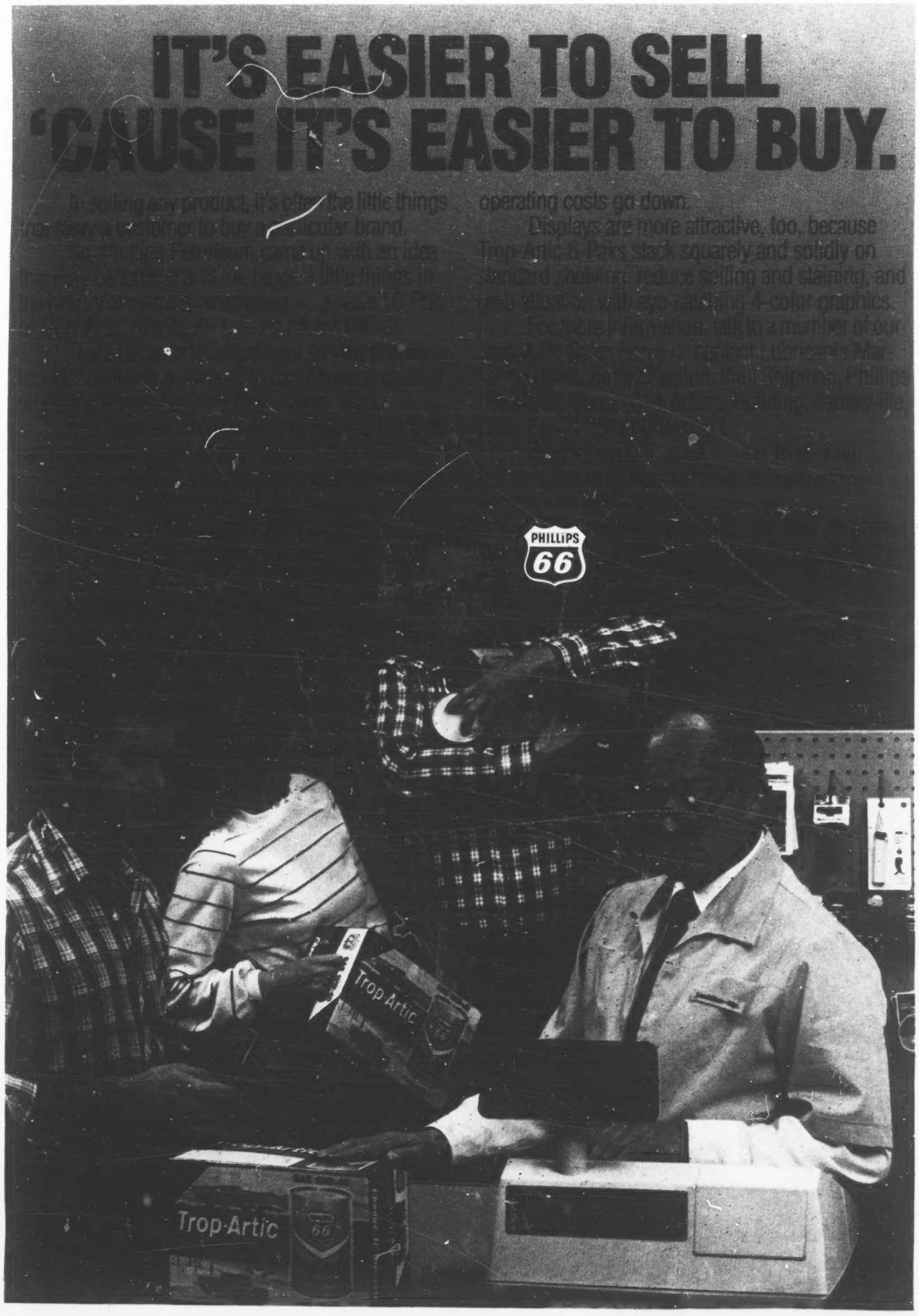
Motorists may be driving less, but discount stores throughout the country say that they still seem to want to listen to good music while on the road. Displays such as this one at Woolco, Charlotte, N.C., are proven successes in attracting attention. They offer an effective display of both the radios and speakers to go with them. *(DSN photo)*

AUTOMOTIVE ACCESSORIES

These automotive accessory PMA figures are for the June 1-30 period. They were supplied by Allied Accessories and Auto Parts Co., Madison Heights, Mich., which covers 2,000 stores, including 1,700 discount department stores in 33 states. Average retail prices listed by the distributor reflect typical price points for discount clients.

Curr. $ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	2-ton Hydraulic floor jack	615	69.99	43,043.85
2	Snowhite Lit 'n' Easy gal	2,992	12.99	38,866.08
3	Blue Poly sealant, 16-oz	3,671	9.99	36,673.29
4	Motorcraft oil filter for FL-1	9,105	3.49	31,776.45
5	Freon, 14-oz	17,470	1.69*	29,524.30
6	DuPont Rain Dance pst, 14-oz	5,988	4.89	29,281.32
7	One-piece auto ramp pair	1,166	24.99	29,138.34
8	8-oz Armor All	9,285	2.99	27,762.15
9	Gunk aerosol	12,520	1.89	23,662.80
10	STP oil treatment, 15-oz	12,252	1.89	23,156.28
11	Casite spray-lube, 9-oz	12,096	1.89	22,861.44
12	Sup Hd Shell, pst/kit, 14-oz	6,776	3.29	22,293.04
13	AC spark plug	17,025	1.29	21,962.25
14	Pennzoil delux 10W40	17,458	1.16	20,251.28
15	DuPont Rain Dance liq, 16-oz	4,116	4.89	20,127.24
16	16-oz Armor All	3,120	6.39	19,936.80
17	Westleys Bleach White, 20-oz	11,645	1.69	19,680.05
18	TAM-66 undercoating	9,766	1.99	19,434.34
19	AC oil filters	5,108	3.79	19,359.32
20	Gumout jet spray, 13-oz	7,953	2.39	19,007.67
21	2-ton Hydraulic bottle jack	1,566	11.99	18,776.34
22	HD sealed beams	5,610	3.29	18,456.90
23	WD-40 aerosol, 9-oz	9,885	1.79	17,694.15
24	Freon kit	2,618	6.59	17,252.62
25	Gumout Carb cleaner, 16-oz	8,575	1.99	17,064.25
26	Warco Dot brake fluid, 12-oz	12,255	1.39	17,034.45
27	DuPont Rally, 14-oz	4,836	3.29	15,910.44
28	Quaker State sup blnd 10W30	13,752	1.13	15,539.76
29	Johnson's wax kit, 12-oz	5,160	2.99	15,428.40
30	Valvoline 10W40	13,987	1.06	14,826.22
31	Pennzoil all-purpose 10W30	12,959	1.13	14,643.67
32	Duro sandable primer-gray	8,207	1.69	13,869.83
33	Turtle zip liq c/wash, 18-oz	7,149	1.89	13,511.61

(Continued on page 9)



Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Waxes Shine Once More as Gas Cans Sink

By Herb Rechter
President,
Allied Accessories and
Auto Parts Company

Waxes and polishes, along with most other traditional summer seasonals, were once again back to their leading positions in the June Product Movement Audit, after having been partially displaced last year by a gas-hungry public with its mind on other items.

The top seller on the chart in the summer of 1979—a 5-gal. gas can that sold 7,300 units—was No. 51 this time. The 1-, 2-, 2½ and even 6-gal. cans that made strong showings in '79 were also way down in movement in June of '80.

Waxes, spark plugs and automotive chemicals were the strong sellers this June, with a total of three polishes and waxes making it into the top 10.

Many dealers were reporting that despite the current recession, the increasing demand for fuel-saving items will be enough to make 1980 as strong a year for sales as 1979.

Already, tune-up kits have become good sellers amid predictions that air and oil filters will rise before the year is out to become leaders in sales.

Even oil sales—thus far somewhat disappointing with significant sales drops compared to last year—are likely to make a comeback and add themselves to the list of sales leaders.

Snowhite Lite 'n' Easy was the top-selling polish in dollar volume this June, ranking second on the PMA with 2,992 units moved.

Blue Poly Sealant moved a greater number of units—3,671, but ranked third in the dollar figures, representing $36,673 at retail.

The 14-oz. bottle of DuPont Rain Dance paste was also a strong seller, ranking sixth on the PMA in dollar volume with $29,281, but outdoing Lite 'n' Easy and Blue Poly Sealant with unit sales of 5,988.

The best seller in dollar volume in the audit was a two-ton hydraulic floor jack, a sign that car owners are investing more money in doing their own repairs.

The jack was also a strong seller in a PMA conducted in May, when it ranked second.

Automotive chemicals did somewhat better than last year, with Gunk aerosol and STP oil treatment both ranking among the 10 best sellers.

Oil however, seemed to make a significantly better showing at this time last year.

In the summer of 1979 a total of three oils made it into the top

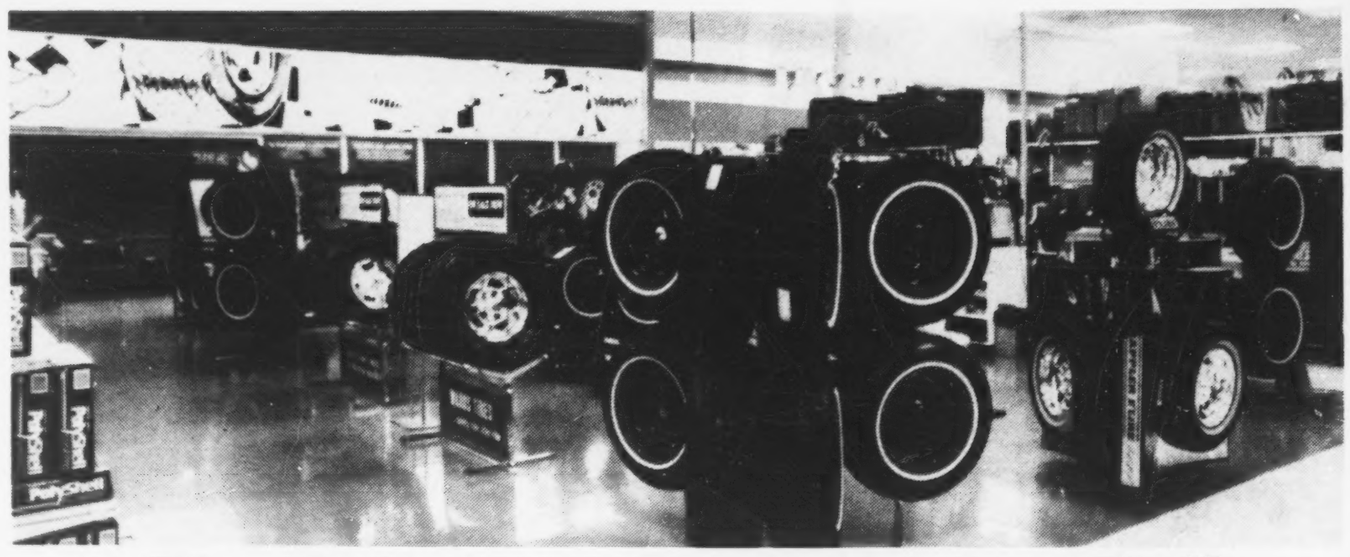
(Continued on page 10)

AUTOMOTIVE ACCESSORIES

(Continued from page 8)

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
34	2-gal Gas can	3,288	3.99	13,119.12
35	STP Son of a Gun, 8-oz	4,296	2.99	12,845.04
36	Quaker State Delux 10W40	11,016	1.16	12,778.56
37	Fix-a-Flat tire inflater	10,375	1.19	12,346.25
38	Rislone oil alloy, 32 oz	5,928	1.99	11,796.72
39	AC spark plugs	8,847	1.29	11,412.63
40	Roberk wiper bld refill	5,207	2.19	11,403.33
41	STP gas treatment, 12-oz	6,309	1.79	11,293.11
42	AC oil filters	2,975	3.79	11,275.25
43	Warco Dot Brake Fluid-qt	3,132	3.59	11,243.88
44	Coleman air compressor	271	39.89	10,810.19
45	Armor-All 4-oz	6,359	1.69	10,746.71
46	Three-sect antenna w/booster	1,048	7.59	10,686.72
47	Motorcraft resistor plug book	8,710	1.19	10,364.90
48	Snowite Lite-N-Ez-qt kit	2,544	3.99	10,150.56
49	Delco 8-cyl tune-up kit	1,527	6.39	9,757.53
50	Duro red sandable primer	5,755	1.69	9,725.95
51	5-gal Gas can	1,204	7.99	9,619.96
52	Bars Leak 15-oz	5,039	1.89	9,523.71
53	2½-gal Gas can	1,359	6.99	9,499.41
54	Bars Leak 5½-oz	7,340	1.29	9,468.60
55	16-oz Armor All Cleaner	4,751	1.99	9,454.49
56	Auto bulbs, 2 on card	10,595	0.89	9,429.55
57	National All-Purpose 10W30 oil	14,520	0.62	9,002.40
58	Thrush Muffler (T-4163)	600	14.99	8,994.00
59	9-oz Simonize Pre-Soft	3,060	2.89	8,843.40
60	General Motors 8-cyl distributor cap	1,761	4.99	8,787.39
61	Stainless steel quartz light kit	319	26.99	8,609.61
62	STP motor oil-quart	6,600	1.29	8,514.00

(Continued on page 10)



Tire Displays Get a Bigger Roll

With motorists putting fewer miles on their cars these days, some discount chains are finding they have to resort to more attractive displays to sell tires. Shoppers walking along the aisle in this Jefferson store in North Miami Beach, Fla., are given an unobstructed view of most of the lines of tires the chain carries. *(DSN photo)*

Be Ready For Tough Questions From Floor at Annual Meeting

NEW YORK—As shareholders become more knowledgeable about how corporations work, retailers are finding themselves facing tougher questions from the floor at annual meetings and at other times.

On Operations:

Price Waterhouse, a large accounting firm headquartered here, recently compiled a list of questions retailers should be prepared to answer. On the operations side, the accounting firm suggested retailers be ready to field questions like the following:

- What was the company's comparative revenue and net income this year and last, when stated in dollars of similar purchasing power?
- Based on comparable industry sales gains, is the company maintaining or improving market share?
- Was the reduction in year-end inventories accomplished by a reduction or delay in orders for next season? If so, the effect is for inventory on hand to be relatively older than would otherwise be the case and would be less salable. Please comment.
- Recent news stories point out that certain retail executives are in great demand and their contracts have reached limits often held by entertainers or sports personalities. Please describe the terms of Mr. X's contract and why it is justified.
- Why don't we have a dividend reinvestment plan?

On Accounting:

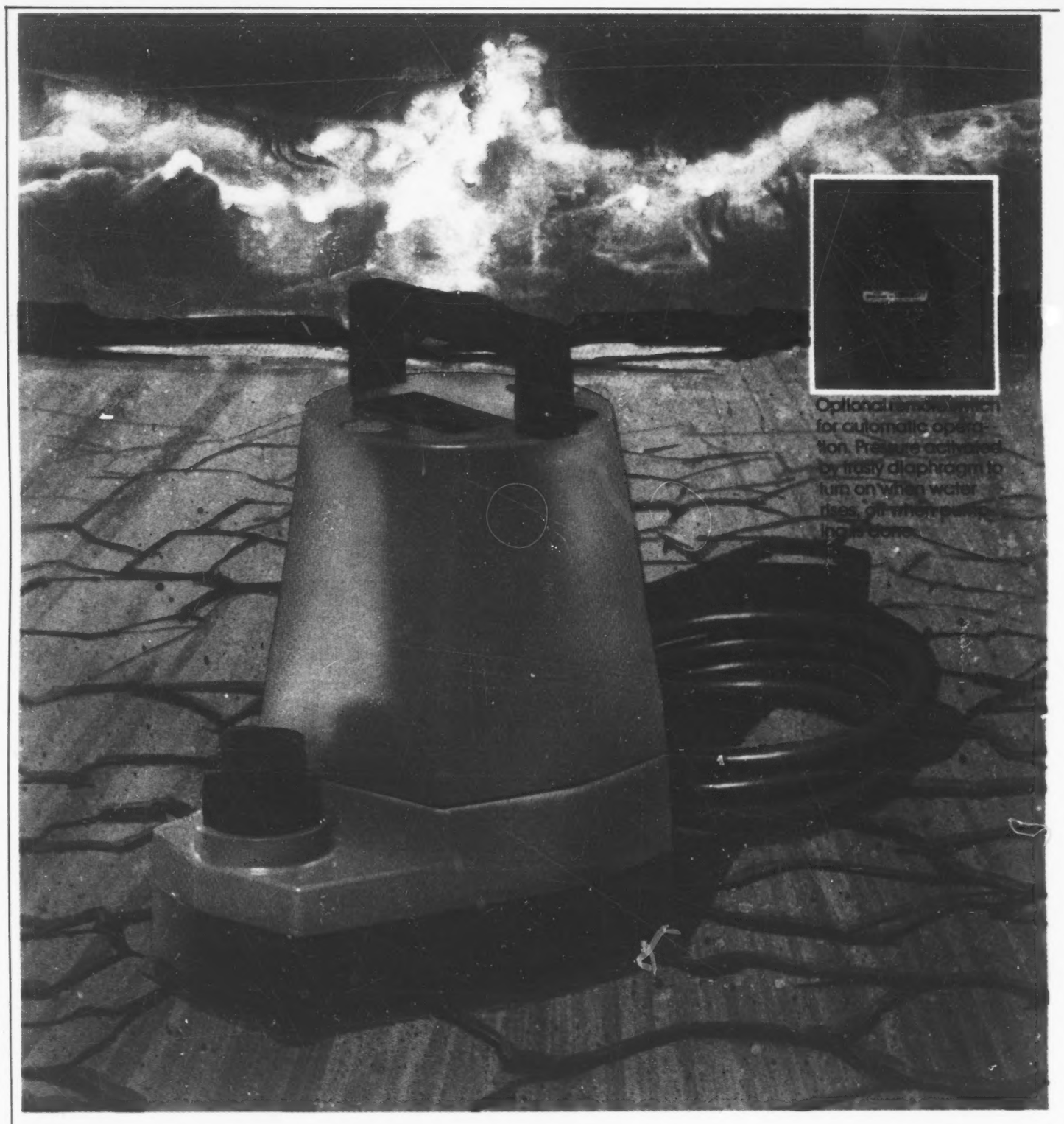
On the accounting side, the New York firm advises retailers to prepare for questions like:

- Why hasn't the company adopted LIFO? What would have been the reduction in net income and income tax expense if LIFO had been adopted this year?
- Why has the company adopted LIFO and what do you think has been the effect on market value of common stock due to reduction in our reported earnings offset by having more funds to invest?
- Are the company's accounting policies in areas like inventory valuation, store opening and closing costs, depreciation, employee benefit accruals, etc., consistent with the industry or preferred practices?

On Fraud:

As questions of fraud continue to receive much publicity, the firm suggests retailers be prepared to answer consumer questions about the subject:

- How has the board satisfied itself that officers and employees do not have a financial interest in merchandise vendor companies, real estate projects, etc?
- Are controls designed to detect false data entered into the accounting system?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Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Waxes, Polishes

(Continued from page 8)

25 best sellers. This year, though, Pennzoil Deluxe 10W40 was the only strong seller.

Oil filters did almost as well as last year both in dollar volume and in units sold.

Anti-freeze isn't typically a strong seller in the June PMA. Chances are, however, that it won't be as strong as it was in the winter PMA either. Retailers are reporting that rising prices are scaring many people off who otherwise would have elected to flush out their cars' systems or to add a little of it to be on the safe side.

To date, some chains have reported drops in sales of up to 8%.

AUTOMOTIVE ACCESSORIES

(Continued from page 9)

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
63	Thrush Muffler (T-3163)	566	14.99	8,484.34
64	Foot pump with gauge	722	10.99	8,484.28
65	Duro black sandable primer	4,989	1.69	8,431.41
66	Valvoline Dexron ATF qt	7,680	1.05	8,064.00
67	Champion spark plug (RBL15Y)	6,239	1.29	8,048.31
68	Pennzoil heavy duty 30w	7,626	1.05	8,007.30
69	Champion spark plug (RBL15Y4)	6,160	1.29	7,946.40
70	Mini grease cartridge (3 pack)	3,316	2.39	7,925.24
71	Champion Spark Plug (RN12Y)	6,078	1.29	7,840.62
72	Mopar Oil Filter	2,184	3.59	7,840.56
73	Motor Lube nondetergent oil	12,471	0.61	7,607.31
74	Clean Machine auto vacuum	268	27.99	7,501.32
75	GM 8-cyl Uniset OEM	891	8.39	7,475.49
76	AC Oil filters	1,918	3.89	7,461.02
77	Square sealed beams -lo	1,450	4.99	7,235.50
78	Large rectangular sealed beam	903	7.99	7,214.97
79	1 lb DL Hand cleaner	7,271	0.99	7,198.29
80	Roberk Wiper blade refill	3,285	2.19	7,194.15
81	DuPont rubbing compound 12-oz	4,500	1.59	7,155.00
82	GM 8-cyl tune-up kit	1,986	3.59	7,129.74
83	Turtle Wax Extra 16-oz	1,451	4.89	7,095.39
84	6-ton Hydraulic bottle jack	322	21.99	7,080.78
85	Turtle Wax Extra paste 13-oz	1,440	4.89	7,041.60
86	Yale power steering fluid	5,411	1.29	6,980.19
87	DuPont car wash 8-oz	3,888	1.79	6,959.52
88	3-section Ball spring	990	6.99	6,920.10
89	AC oil filters	1,824	3.79	6,912.96
90	Turtle Wax Poly Shell	345	19.99	6,896.55
91	Casite oil filter	2,642	2.59	6,842.78
92	AC Spark plug	5,303	1.29	6,840.87
93	Armor-All 32-oz	774	8.69	6,726.06
94	Thrush Muffler (T-5163)	444	14.99	6,655.56
95	CD-2 Red Hi 15-oz	3,684	1.79	6,594.36
96	Heavy-duty sealed beams	2,335	2.79	6,514.65
97	DuPont gas booster 12-oz	3,852	1.69	6,509.88
98	Spray Chrome paint	2,320	2.79	6,472.80
99	Castrol GTX 20W50	5,496	1.17	6,430.32
100	Lo-mount track mirror	398	15.99	6,364.02

Source: Allied Accessories and Auto Parts Co.

The Effect Is Electric

Batteries have always been a popular item, especially as consumers realize how easy they are to install. Officials at this Richway, Decatur, Ga., feel a fancy display goes a long way toward perking up sales. *(DSN photo)*

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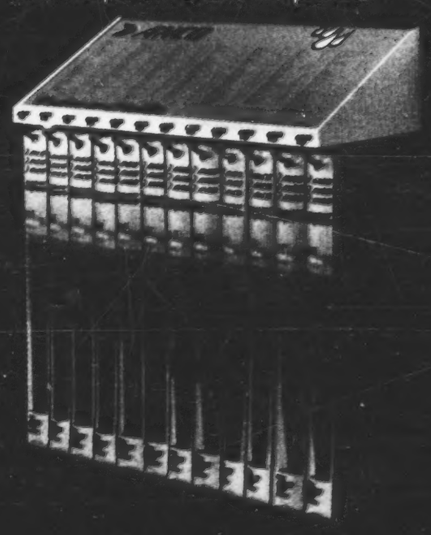

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Discount Store News

THE NEWSPAPER OF THE DISCOUNT DEPARTMENT STORE INDUSTRY

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Fauber: K mart to Test Full Race-track Aisle

INDIANAPOLIS—K mart will be yet another step closer to upscale discounting when it unveils a full race-track aisle in at least one of eight stores currently being remodeled here.

Chairman and ceo Bernard M. Fauber told DSN the race-track aisle, which dead-ended inside the ladies' apparel department in the Lodi, N.J., store—scene of the chain's first major upscale effort, made earlier this year—will go fully around at least one of the Indianapolis stores.

Fauber added: "Not every store will be exactly the same."

As was true in apparel, the race track will generate a new hard lines presentation that will not be limited to refixturing, but will involve a "modest trade-up of goods," Fauber told DSN.

The showpiece of the Lodi remodeling was a ladies' wear department that replaced 30-ft. piperacks with fashion fixtures—rounds, deltas, and waterfalls—and displayed them prominently along the entire front-left quadrant of the store.

The hard lines upscaling was the next logical step for the giant chain which sees its market share slipping in favor of aggressive regionals that are going after consumer dollars with two-fisted fashion and value merchandising strategies.

In Indianapolis, the soft lines presentation in the eight

(Continued on page 30)

Many Chains Spur Promos, Though

Operations Costs Shaved as Nets Dip

Nationwide DSN Report

Many discounters are taking a sterner position on operations spending in the light of their sluggish profit performance for the first half of the fiscal year.

Advertising and sales promotion will be spared surgery at many chains, however, as many discounters choose to accelerate their promotional activities, as well as to shave margins, to remain competitive.

"The temptation among some retailers is to battle for business at the expense of earnings, something that inevitably causes more problems than it solves," said Fred Haddad, Heck's chairman. The regional chain posted a 22% rise in income for the first half to $5.6 million, or 87¢ per share, from last year's first-half earnings of $4.6 million, or 72¢ a share.

Heck's will continue its policy to "maintain margins as vigorously as possible," Haddad said.

Rink's took a similar stance in its promotional policy. "We are not trying to buy sales," said a spokesman. "Customers are cherrypicking items anyway, so you can't force them to come into your stores. We've become more selective and productive in our advertising, but we will not be accelerating the program."

Rink's parent, Gray Drug Co., will expand its H&BA private label brands in Rink's stores and its drug store division. The company hopes to thus increase customer loyalty and to boost gross margins.

Other plans for bolstering profit margins at Rink's include moving to a one-week reordering cycle. "We will trade off higher delivery costs for better in-stock positions on staple merchandise, and lower inventory costs," said the chain spokesman. The change in schedule is one part of a chainwide costs study.

Wal-Mart was one of the few discount chains reporting record earnings for the first half—up 32.4% to $20.6 million from

(Continued on page 30)

Venture Unifies Battle vs. Out-of-Stocks

By Bernard C. Cullen

ST. LOUIS—Venture has begun a massive effort to force total chain compliance with a centralized merchandise control program designed to ease a serious out-of-stock problem by year's end.

Officials said employees began shifting merchandise in every department throughout the 45-store chain earlier this summer, and that full implementation of the chain's planogram program should be complete by this fall.

The chainwide out-of-stock problem developed in 1978 after the acquisition of 13 Turn-Style stores and the opening of a new distribution center threw the company's replenishment system into disarray.

Previously, only adjacencies specified in the planogram were strictly adhered to, and managers had significant leeway in modifying the layout of their departments.

The new program will make it more difficult for managers to fill empty shelves with non-planogrammed merchandise, a too-common practice among store managers in the past.

The planogramming drive is the boldest step thus far taken by Ira Quint, president and ceo. Quint, a Sears veteran, was tapped by May Co. officials for the top spot in 1979 and charged with rebuilding their deteriorating Venture discount division.

(Quint declined to comment on Venture.)

Officials of May said sales have been sagging at Venture, and that the company's bottom line has failed to live up to expectations.

Talks with chain employees revealed that the new planogram regimen is one of the belt-tightening policies begun

(Continued on page 4)

King's Takeover of Barkers Expected As Cornwall Consolidates Retail Arms

NEW YORK—Cornwall Equities Ltd., sole owner of Barkers and Franklin Stores, was moving to consolidate its retail operations at presstime. The move would transfer ownership of Barkers to the King's chain, headquartered here, of which Cornwall owns a 12% controlling interest.

The two management boards were expected to give the go-ahead on the King's/Barker merger.

The acquisition proposals being voted on were first presented to the boards of directors of King's and Cornwall Equities approximately 90 days ago.

Nathan Greenberg, King's vice president and treasurer, and a member of the independent committee created last June to study the fine points of the acquisition, reported that if the proposal goes through as expected, Barkers' United States stores will be consolidated into the King's operation. Only in Puerto Rico and the Virgin Islands, where 16 Barkers stores have successfully entrenched themselves, will the name change not take place, he said.

Greenberg viewed the possible acquisition as a cost-efficient way for King's to move into the Sunbelt. In addition to 37 stores in Connecticut, New Jersey and New York (and the 16 Puerto Rico and Virgin Island units), Barkers operates 11 stores in Texas and Louisiana.

The consolidation is also expected to allow King's to maintain a growth rate of 10% compounded annually in its existing markets, according to Greenberg.

"There's very little differences between Barkers' and King's merchandise mix and presentation," said Greenberg. "That's why we're so enthusiastic about this move. The Barkers stores fit right into our existing markets in Connecticut and New York with little need for dramatic changes."

This growth-through-acquisition strategy is a familar

(Continued on page 30)

Financial Settlement With Korvettes Will Net Lenders $28 Million in Cash

By Arthur Markowitz

NEW YORK—Korvettes on its second go-round reached a $28 million financial settlement of its approximately $57 million debt with its major lenders that is also acceptable to its parent Agache-Willot.

Joseph Ris put the finishing touches on the new agreement upon his return as chairman of the troubled chain five days after he resigned when his first debt restructuring plan was repudiated by Agache-Willot.

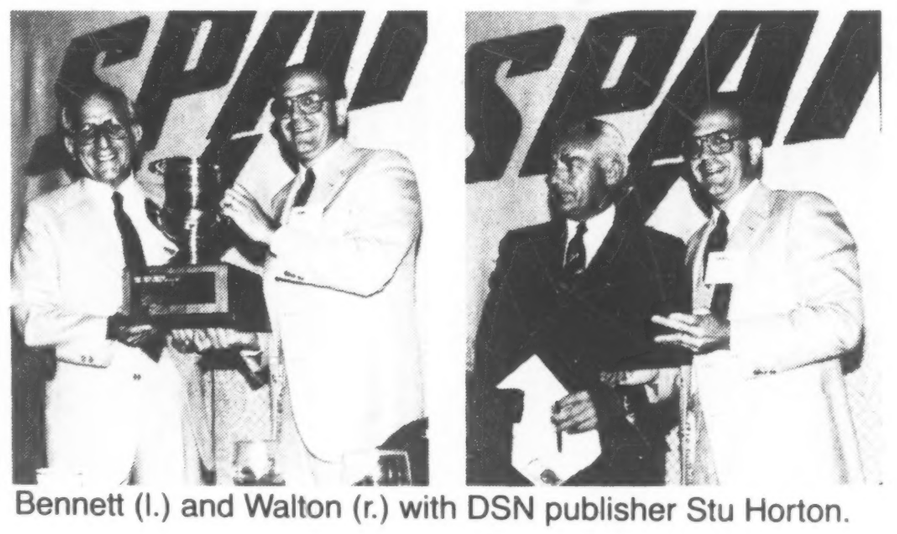
The new plan calls for the following:

- Agache-Willot will make a $28 million cash payment to the major lenders, with $26 million scheduled to be paid at presstime. Agache-Willot, however, will only have to pay about $22 million as the three lender banks have agreed to return about $6 million they impounded when the French company turned down the first plan.
- The remaining $2 million due on the $28 million will be paid in January 1981.

The French company will provide "substantial" working capital to Korvettes in an effort to restore supplier confidence in the chain. The amount, however, wasn't disclosed at presstime. If cash is actually provided it would mark a major change from the past when Agache-Willot's support mainly was guaranteeing Korvettes' payment to vendors.

An unnamed and undefined Agache-Willot affiliate will assume the debt owed to the three banks and two insurance companies, and will provide the

(Continued on page 5)



Bennett (l.) and Walton (r.) with DSN publisher Stu Horton.

Walton and Bennett Honored At DSN's SPARC Banquet

CHICAGO—Two veteran discounters and outstanding entrepreneurs, Sam Walton and Carl Bennett, received discounting's top honors at DSN's annual SPARC (Supplier Performance Award by Retail Category) award banquet here last month.

Walton, the founder, chairman of the board and ceo of Wal-Mart, Bentonville, Ark., was the third discounter to be inducted into the Discounting Hall of Fame. He joined Harry Cunningham, K mart, and Marty Chase, Ann & Hope. In 1979 Walton was named Discounter of the Year.

Bennett, who, with his wife Dorothy, founded Caldor, Norwalk, Conn., 29 years ago, was chosen Discounter of the Year.

Exercise Gear Builds Up Money-making Muscle as It Avoids Promo Fight

Special DSN Market Study

Demand for high-ticket exercise equipment, particularly bikes, benches and weight sets, is working wonders for most discounters' profit structures since these items have not yet joined their low-end counterparts in the promotional fray.

Some buyers, however, planned to gain a competitive edge this season by including them in promotional efforts. All agreed that the day is fast approaching when competition will force them to promote the goods, thus slicing into the category's profitability.

The outlook for hunting gear, p. 21; for roller skates, p. 24.

Discounters have upgraded their exercise department mix to satisfy a growing demand for high-quality equipment with special features.

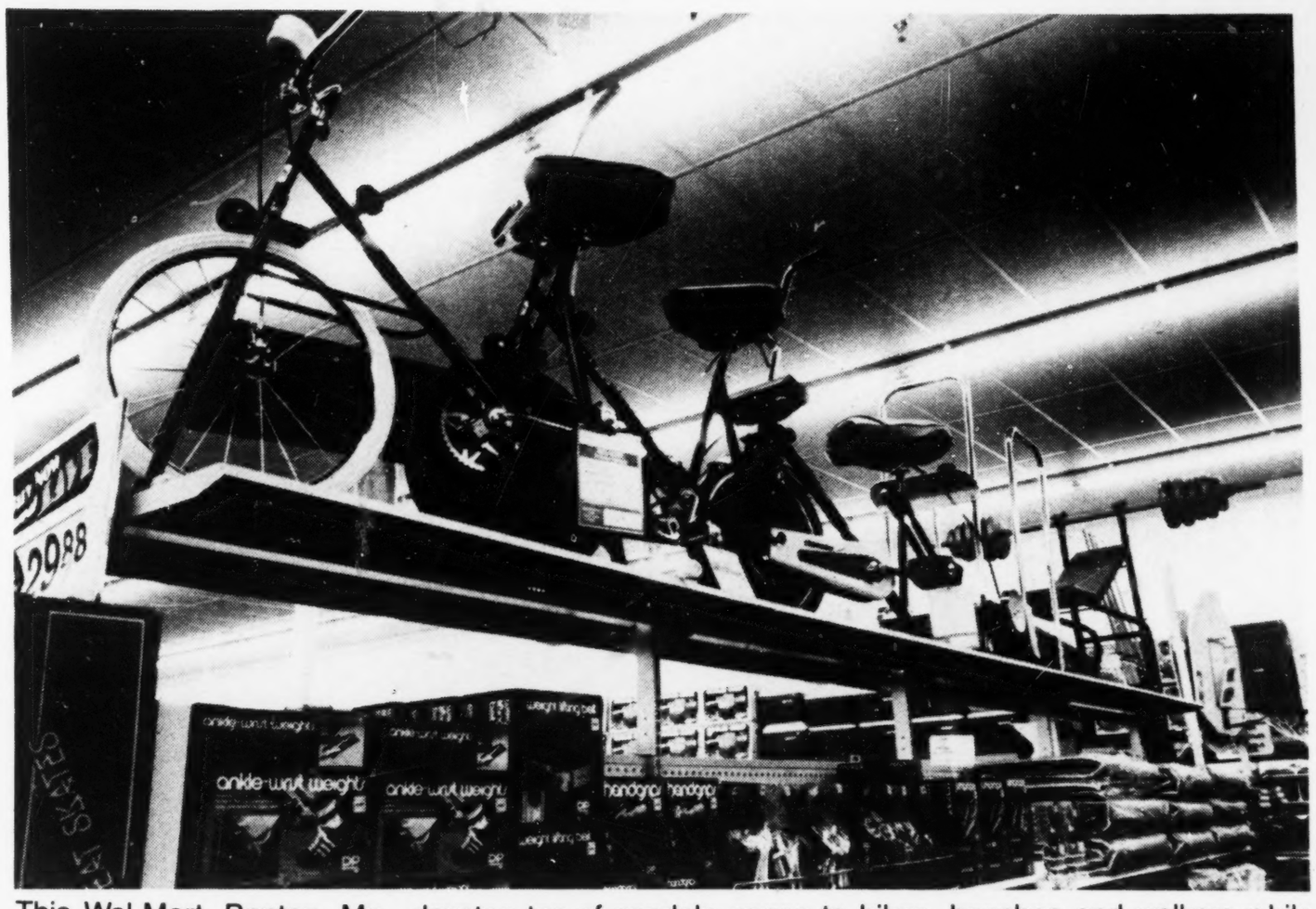
Rose's buyer Steve Overcash added a step-up model to many of his subcategories within exercise for this fall. "There's not an area within exercise that's not growing," he said.

The chain will offer a deluxe bike this fall to augment the standard low-end model in that subcategory's selection. A deluxe incline bench with leg lift will now complement the selection of one low-end standard bench. A 165-lb. weight set was added to round off the assortment of 110-lb. sets.

"Consumers want to have the option of selecting between standard models and those with special features," said Overcash. "Therefore it's necessary today to carry a representative item of both types of products."

Zodys, a division of Hartfield-Zodys, eliminated the low-end exercise bike, and will start off its selections with a high-end model, priced at $99.99, according to a chain spokesman. A cast-iron barbell set will debut this fall, adding to the chain's selection of plastic-covered sets.

(Continued on page 25)



This Wal-Mart, Benton, Mo., devotes top-of-gondola space to bikes, benches and walkers while stocking accessories such as mats and hand-held items underneath. *(DSN photo)*

Apparel Is the Focus of Nichols' Upscale Move

By Laura L. Larson

NEW YORK—Add another name to the list of traditional discounters going upscale: S. E. Nichols.

Apparel departments are getting up-front space along the major aisle in each of the chain's new stores. Already, about 20 of 43 existing offset (off-center) entrance stores have been remodeled, with the rest to be completed by late September.

The move is part of an overall plan to upgrade soft lines at the chain. While some improvements are going on in other departments, apparel is the focus of the ongoing move to improve profits with higher-margin goods, increase hard lines traffic and make Nichols more competitive with upscalers.

A low, department-store-like profile will position the chain "not quite up with a Target, but above a K mart," Ed Dennenberg, apparel merchandiser, said.

The recent move is part of a plan begun two years ago when Dennenberg joined Nichols, and chain executives made their first move to revitalize soft lines.

Besides modifying design slightly to fit up-front space, few fixturing changes were made, although merchandise upgrading is continuous.

When the program began in 1978, a junior department was added. Since then, children's and women's large-size categories have been broken out into individual departments. In addition, each department in women's ready-to-wear is now clearly signed. Fashionable presentation is accomplished with cubes, rounds, mannequins, S- and T-racks.

Based on increased sales that resulted from these improvements, executives decided to capitalize further on the women's apparel success by moving the department up front.

"The second move, positioning the department in the front of the store near the jewelry department, was to put it all together," Dennenberg explained.

Back-to-school buying, merchandising and promotions show the trade-up in action.

Using popular mass merchant manufacturers (Nichols eliminated low-end manufacturers two years ago), higher-price-point merchandise was brought in by a revamped buying staff that put an emphasis on fashionable coordinates.

The low end was lifted from the $1-$3 range to $7, Dennenberg said, adding that some skirt sets now retail for as high as $39.

Such items, presented on modern feature fixtures, are arranged as an outfit to soften the impact of the higher ticket and to stimulate multiple sales.

Multiple sales are a new promotional tack at Nichols, which long concentrated on stacking low-priced merchandise on aisle tables for fast turns.

"Promoting low-end apparel

(Continued on page 27)

Ardan Will Add 9 Showrooms in Fall

DES MOINES—Ardan plans a major expansion effort this fall that will see the cataloger open at least nine showrooms, go into a minimum of four new states and heighten its competition with Service Merchandise and H. J. Wilson while continuing to avoid competing with Modern Merchandising.

Ardan, the fast-growing showroom arm of the Carlson Companies conglomerate, at presstime set seven openings to follow the two announced last month (See DSN, Aug. 11, p. 58.)

The latest openings will include Ardan's first thrust into Louisiana, home of H. J. Wilson; Tennessee, Service Merchandise's base, and Indiana. The openings announced earlier included the cataloger's debut in North Carolina in Winston-Salem.

Ardan's Louisiana unit will be a 51,000-sq.-ft. showroom in the Broadmoor Shopping Center in Baton Rouge, the headquarters city of H. J. Wilson.

In Tennessee, Ardan's showrooms will be a 38,000-sq.-ft. unit in Knoxville near the West Town Mall, about two miles from a Service Merchandise; a 40,000-sq.-ft. showroom in Chattanooga near the Northgate Mall about seven miles from a Service Merchandise, and a 38,000-sq.-ft. unit in Memphis opposite the proposed Hickory Ridge Mall in a market where Service Merchandise already has three showrooms.

The Indiana Ardan will be a 37,000-sq.-ft. unit in Indianapolis in the Cherry Tree Shopping Center near the Washington Square Regional Mall. One of Service Merchandise's three Indianapolis showrooms is about a mile from the regional mall.

The other two new Ardans will be a 42,000-sq.-ft. unit in Abilene, Tex., in an ex-Sears in Sayless Square, and a 40,000-sq.-ft. showroom in Lincoln, Neb., that will be connected to the East Park Plaza, a new mall opening this fall. Ardan will operate its smaller unit in downtown Lincoln through the end of the year.

Ardan's move into markets where other catalogers have showrooms reflects a growing trend of face-to-face competition among showroom operators.

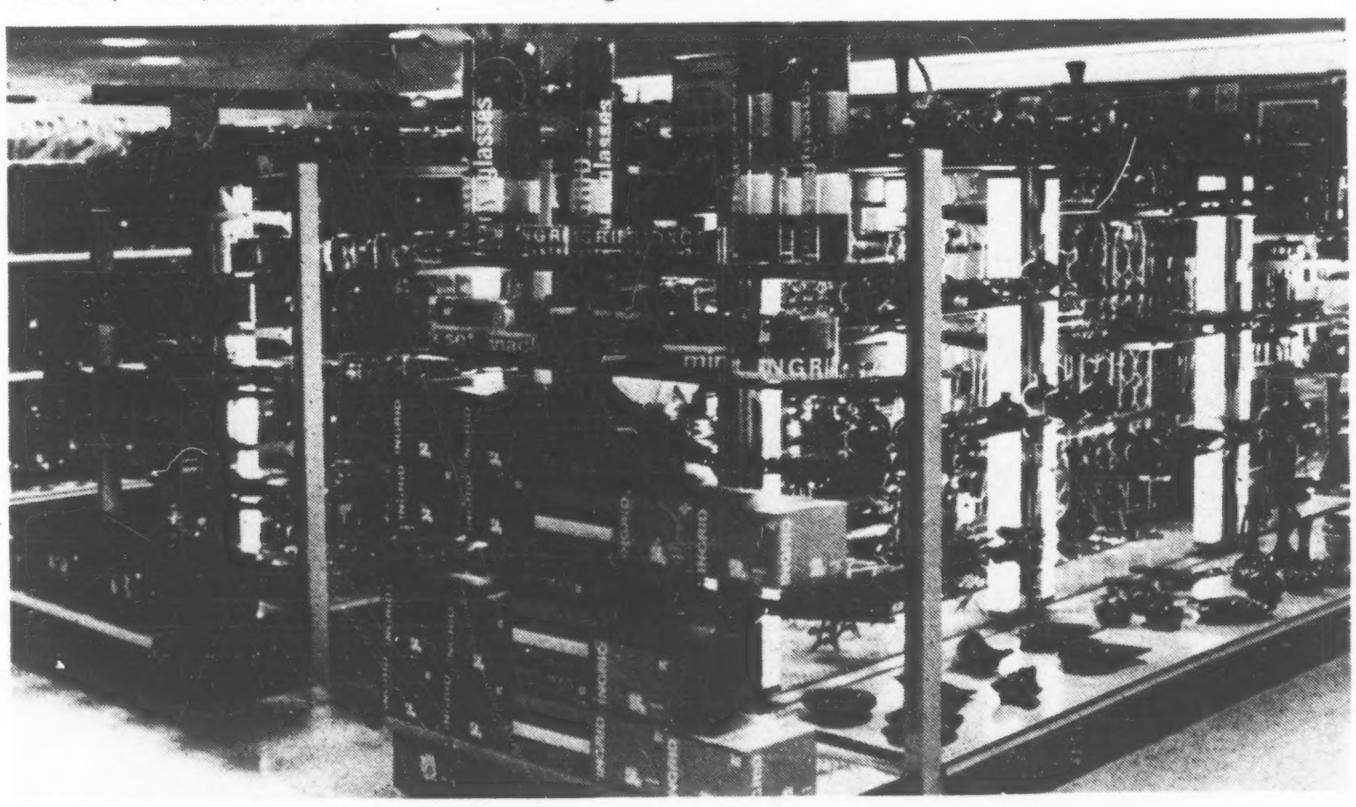
An Ardan source asserted that H. J. Wilson and Service Merchandise started the fight

(Continued on page 25)

Spotlight on: Giftware

Accent Lights, Glass Shelving Set the Mood

Ceramic giftware is dramatically merchandised at Gold Circle stores. Here, in one of the chain's Columbus, Ohio, units, customers are drawn to the department by the combination of fluorescent accent lights and glass shelving which show off all features of the merchandise. Endcaps employ the chain's more typical stock-and-display approach. (DSN photo)



Departments

Classified Advtg. 28-29
Discounter Management Development Series 15
Editorial 8
Market Outlook
Consumables 3
Sporting Goods .. 2, 21, 24
Product Movement Audit
Housewares 6
Washington Beat 8

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